DOING MORE FOR LESS

How working together on transport cuts costs and saves time
ABOUT UTG

The Urban Transport Group brings together and promotes the interests of Britain’s largest urban areas on transport.

Through working together as a network, we help to save time and money for our members by doing things once and collaboratively – rather than separately and expensively.

We do this on:

• procuring services and technical advice collectively;
• negotiating with Government on the criteria for multi-million pound funding streams; and
• using secondments and sharing staff resources.

Saving significant costs for our members is just one benefit of being part of our organisation.

The Urban Transport Group’s policy and oversight is led by a Board made up of Chief Executives (or equivalent) from our member organisations (see map) and its work is coordinated by a small team of six staff, based in Leeds. They help to support a wider network of working groups led by our members.

THE TEAM

Jonathan Bray
Director

Rebecca Fuller
Assistant Director

Tom Ellerton
Researcher (Analysis)

Clare Linton
Researcher (Policy)

Saila Acton
PA & Office Manager

James Kershaw
Media & Communications Manager

OUR MEMBERS – BRITAIN’S LARGEST URBAN TRANSPORT AUTHORITIES

The Urban Transport Group is made up of seven members and four associate members. Between them, they serve over 24 million people.

Members
Greater Manchester
Liverpool City Region
London
Tyne and Wear
Sheffield City Region
West Midlands
West Yorkshire

Associate Members
Strathclyde
Tees Valley
Nottingham
West of England
HOW OUR WORK ENABLES MEMBERS TO CUT COSTS, SAVE TIME AND DO MORE FOR LESS…

NEGOTIATING ON CONCESSIONARY FARES

Transport authorities have a statutory duty to fund the National Concessionary Fares Scheme for Older and Disabled People, which guarantees free off-peak local bus travel for the elderly and those with disabilities anywhere in England.

The Government provides funding for the scheme through the Ministry of Housing, Communities and Local Government’s revenue support grant to Metropolitan districts. It also sets the rules for how much operators should be reimbursed for carrying pass holders.

Our work to ensure fair and accurate reimbursement rules on concessionary travel has saved the transport authorities between £1.3m and £1.6m a year (around £1.3–2.6m million each) compared with what they would have paid if operators’ case for higher rates of reimbursement had not been effectively challenged. In other words, without the Urban Transport Group’s interventions, the costs of reimbursement would be between 5% and 10% higher and each Metropolitan area would have to put forward its own case at its own expense, which would be unlikely to be as effective.

MAKING AN EFFECTIVE CASE TO GOVERNMENT ON BUS SUBSIDIES

The main Government subsidy for the bus network in Metropolitan areas is the Bus Services Operators Grant (BSOG) – paid as a fuel rebate, with bus operators collectively receiving £83m a year. Without BSOG, bus fares would rise by 10% and commercial bus services would be unlikely to be as effective.

As a result, the BSOG was fully protected. Leading transport magazine Transport Times specifically attributed this to the work we carried out. It would not have been possible to present such an effective case for protecting the BSOG without the action of our network.

Assuming BSOG would have been cut by a further 20% (in line with 2012), our intervention has saved each city region approximately £2.7m per year. As the next Spending Review approaches, this will mean that the BSOG and other Government funding for bus services will continue to be protected. Leading transport operators collectively signing up to the BSOG has therefore been key to ensuring that the transport authorities have a secure supply of funding for their bus services.

COLLABORATING ON PASSENGER SURVEYS

Transport authorities have traditionally conducted surveys to understand the needs and experiences of bus passengers – in order to measure performance, identify tangible and measurable improvements that could be made, and to influence decision-making. In the past, this has meant each authority carrying out their own separate surveys, each using different approaches and questions.

Collectively, through the Urban Transport Group, members identified the need for a more consistent approach that would reduce costs and duplication, enable comparability of data across transport authorities, and to establish benchmark data.

They also sought an approach that would allow them to work more effectively with Transport Focus, the passenger watchdog. Together with Transport Focus, we commissioned a review to explore the opportunities for developing such an approach.

The study resulted in members collectively signing up to the Transport Focus Bus Customer Satisfaction Survey – a move which is expected to lead to collective savings of up to £100,000 per year on market research, as well as a consistent and comparable dataset.

I have no doubt that the Urban Transport Group will continue to help shape our transport. For everyone who travels on networks managed by their members, that will come as very good news.

Andrew Jones MP, former Transport Minister

DEVELOPING BUS NETWORK PLANNING SOFTWARE

When examining how best to change a bus network (including service levels and fares), software is invaluable as it allows transport authorities to model the impacts of different options. Being able to run a series of scenarios through a model before making changes to services on the ground means that better decisions can be made, with more predictable outcomes, and at better value for money.

To save each authority from creating its own model or having to pay a consultancy to build one, the Urban Transport Group worked with a single set of consultants to build bespoke modelling software that each of our members can use for free.

The extensive and diverse range of knowledge and experience within the Urban Transport Group means they are well placed to continue making important in-roads on transport issues, as they have done for many years now.

Lilian Greenwood MP, Chair, Transport Select Committee
SHAPING THE BUS SERVICES ACT

The bus is the main form of public transport in our members’ areas and a major part of their budgets. Despite the considerable funding our members provide to support the bus industry, bus services outside of London are deregulated and which severely limits the influence our members can have over service levels, fares, quality and forward planning of bus networks.

On behalf of its members, the Urban Transport Group led the work on ensuring the Government’s new legislation on bus powers for local transport authorities was fit for purpose. We did this through drafting amendments, procuring legal advice, briefing Parliamentarians and by holding regular liaison meetings with the Department for Transport Bill team and officers leading on bus strategy at our member organisations. Now the Bus Services Act (2017) has been passed, we are supporting our members in the use of the far more effective range of new powers. This includes a masterclass on franchising bus services (with franchising authorities from the UK and wider world) and through a bespoke website (buspartnership.com) which holds copies of agreements which have been made between operators and transport authorities for the partnership elements of the legislation.

Working collectively to shape the legislation was far more effective than individual representations and much more cost-effective.

PROVIDING A UNIFIED VOICE ON URBAN TRANSPORT

The Urban Transport Group plays a vital role in coordinating single, unified responses – rather than multiple ones – to consultation exercises by national government and other agencies on key transport issues.

We have worked well over 200 consultation responses to a variety of bodies such as the Department for Transport, the Transport Select Committee, the European Union and the Office of Rail Regulation. All responses can be downloaded from our website.

We also represent our network of members at a host of Department for Transport roundtables and consultative groups (including on potential new funding streams) – again, avoiding the need for separate representation from our members.

GETTING SMARTER ON DATA

Our 2016 report Getting Smart on Data highlighted the key challenges for transport authorities seeking to capitalise on new and emerging forms of transport data. These included data sharing and integration; ownership and privacy; quality and standards; and skills, capacities and capabilities.

In order to work collectively to address these challenges, we established an Emerging Data Group to share best practice and learn from one another.

The group has focused on understanding what data we hold as transport authorities and the potential value in opening up more of this data. It has also explored the implications of new data protection rules.

We’re excited about future opportunities to engage with others outside of our network and seek to influence how transport data is opened or shared, and the standards used. The opening of bus operator data under the Bus Services Act also offers potential avenues for the group to explore.

DEVELOPING AN ALGORITHM FOR MORE ACCURATELY PREDICTING BUS JOURNEY LENGTHS

We know when bus journeys begin because users pay a fare, tap a reader with their smartcard or show their pass to the driver. However, we know much less about where they end, as users simply get off buses without a transaction.

Without such information, our understanding of the journeys that people are making by bus is limited, and it also has implications for the millions of pounds that transport authorities spend on reimbursing operators for carrying concessionary passengers (which, in turn, is based on assumptions about the journeys passholders are making).

Through the Urban Transport Group, our members are developing new and unique software and algorithms which will provide more accurate estimates of where and when people get off buses. The initial trial version has already proved to be over 80% accurate, and we are now working to transform this prototype into a full version which will be freely available to all of our members. This will result in more accurate payments for concessionary travel to operators – potentially saving our members substantial sums of money – and leading to better bus network planning.

I read the Case for the Urban Bus report with a great deal of interest... I totally agree with you that buses serve a key role, not just in cities, but across rural areas too. I can definitely see the link to the City Deals policy agenda; if our cities are going to drive growth then buses will play an integral role. This point is made very well in the report by highlighting the sizeable economic benefits generated by bus network.

Greg Clark MP, then Financial Secretary to the Treasury

One of the organisation’s major strengths lies in its professional network of transport authorities. The network demonstrates that through collaboration, we can achieve far greater impact than we would otherwise do individually.

Tobyn Hughes, Managing Director, Nexus, and Chair, Urban Transport Group

Andrew Carter, Chief Executive, Centre for Cities

The network is fit for purpose. We did this through drafting amendments, procuring legal advice, briefing Parliamentarians and by holding regular liaison meetings with the Department for Transport Bill team and officers leading on bus strategy at our member organisations.
PROVIDING AN INFLUENTIAL VOICE IN NATIONAL POLICY MAKING

The Urban Transport Group’s research and evidence has gained recognition, and has affected policy at national level.

For example, our written and oral evidence featured heavily in the report of the House of Commons Transport Committee Inquiry into ‘Passenger transport in isolated communities’. Seven of the Committee’s 12 recommendations echoed our submissions.

Our evidence successfully made the case that any community – urban or rural – risked becoming isolated without passenger transport that is available, accessible, affordable and acceptable, a definition we have been using since our 2010 report into transport and social inclusion and one which the Committee lent its support to, recommending that:

“The DfT should draft a definition of ‘isolated communities’ for use in central and local government that captures isolated urban, rural and island communities. We recommend [Urban Transport Group’s] available-accessible-affordable-acceptable model as a practical starting point.”

The central recommendation of the Committee’s report – that the DfT ‘must work with local government to coordinate large-scale total transport pilot schemes’ is one that we made to the Committee and that we have been calling for since our 2011 ‘Total Transport’ report. The phrase ‘Total Transport’ was coined by us to describe the joining up of transport fleets and budgets across sectors.

THE CHALLENGES AHEAD

We all know that local government spending is under pressure, but at the same time, all our member areas have prioritised transport as key to underpinning growth. There are also statutory functions to maintain such as concessionary fares and wider aspirations to achieve like smart ticketing.

By working together through the Urban Transport Group network, these challenges can continue to be met in the most cost effective way.

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